

August 21, 1951

CONTRIBUTION TO STAFF PLANNING PROJECT NO. 26.

TO:

25X1A9a

FROM:

SUBJECT:

Topics on Economic Affairs which should be Considered in the Preparation of Staff Planning Project No. 26.

Since O/RR economists and O/NE regional analysts are preparing statements, inter alia, on various economic problems with which they are familiar, I have elected to "fill in the gaps" with a series of statements on a variety of problems in Parts II & III of your outline. In preparing your draft, I believe you should have before you statements on the following subjects of an economic nature. Those which I have been able to prepare are listed with an asterisk (*); the remainder I should hope will be covered by other analysts. Where you find gaps remaining, we should attempt to obtain the necessary information.

I. NATO Countries.

A. Trends in industry in NATO countries and relationship to war effort.

Output in major industries.
Changes in transportation system.
Manpower changes
Inflation *
Investment
Standard of living

B. Trends in agriculture. *

~~Output and yields~~
~~Mechanization, seed, & fertilizer change.~~
~~Significance of droughts *~~

C. Interdependence.

International trade & finance
Schuman Plan
Changes in vulnerabilities
US Stockpiling program

D. Countries with particular significance.

UK - balance of payments problems.
West Germany - industrial & military changes
Berlin - economic instability
Spain - contribution to NATO
France & Italy - Communist influence
Austria - withdrawal of Soviet occupation forces.

II. Africa, Near East, Far East.

- A. Development of African resources
- B. Economic significance of Egyptian control of the Suez.
- C. Trends in the Israeli economy.
- D. Middle-East refugees
- + D. *Iran* *
- E. Economic assistance to Middle East.
- F. The Pakistan economy in the event of a war over Kashmir.
- G. Economic deterioration in India. *
- H. Economic stability in Southeast Asia.
- I. Economic consequences of the loss of Southeast Asia.*
- 5. *Economic deterioration in Taiwan **